



Track 5. **Public Management.** Organizational and Inter-Institutional performance management in Public Administration for sustainable growth

Accountability for sustainable public service networks

Draft on August 2013

1. Introduction

In the past decade, there has been a rapid growth of the implementation scale of accountability technologies, in the public sector. However, these applications have not necessarily delivered the promised outcomes. It has been discussed how accountability data is ambiguous and subject to disagreement (Mulgam, 2001). Thus, accountability cannot be considered definitive, and interested actors interact in a dialogue to establish its meaning. A number of explanations have been analyzed such as: poor planning or developing of the what, who and how an individual or an organization is set to be accountable. Even if these issues could be addressed through an improvement on planning, measurement, reporting and understanding of stakeholders' needs, I argue that there is fundamental challenge to public services accountability, which is the need to recognize and accommodate with cross agency interdependencies, collaboration and flexibility. In the literature, poor accountability, as well as good one, was addressed through different concepts (Considine, 2012).

Prior work identified managerial influences and pressures to legitimize and 'marketize' government activities in a way that is consistent with Hood's (1995) perspective on a corporatized public sector. However, trends such as reintegration, 'joined-up government', 'whole of-government', 'network management' and 'hybridization' pose major problems to accounting and accountability (Hodges, 2012). For instance, multiple actors are likely to share the task and responsibility load, so they become more dependent their reciprocal information, direction and execution. In this context, the measurement of individual actor performances and make it accountable become more difficult. As a consequence, there is a growing recognition of the importance of networks and inter-organizational dependencies leading to call for further research and debate into their effects on the way performance is measured, managed and reported and made accountable (Considine, 2012; Romzek et al., 2012; Kenis and Provan, 2006).

Networks have become more and more relevant as a ways in which public administration attempts to achieve their policy goals. A network can be defined as two or more organisations voluntarily agree to co-ordinate and collaborate one-another adopting legal arrangements or more informal means (Kenis and Provan, 2006).

Accountability arrangements in networks represent special concerns, since it is "difficult to establish accountability in public management networks" (Agranoff and MacGuire, 2001), and of the potential for accountability to get "lost in the cracks of horizontal and hybrid governance" (Romzek et al. 2012:443). Networks involve numerous cooperating agencies and/or

subcontractors with different goals, organizational agendas (Romzek et al. 2012), the problem is that no single organization or individual has the full responsibility for the network level of outcomes.

Besides this trend, public service networks are facing the effects of austerity programs in many developed countries, such as in Italy. Austerity has led to dramatic reduction of public services resources and in general into the public sector. Local government and related services, like social care, was particularly hit and had to cope with decreasing transfer from central government and increasing needs. Taking on the direction for further research proposed by Hodges (2012: 45), this paper attempts to give a preliminary answer to the following research question: in which way the budget cut-back in a public service network affects the forms of accountabilities between collaborating organisations. In particular, the focus of the paper will be on the dynamics brought about during a period of budget cut-backs due to the Italian public sector austerity programs. On this vein, the paper intend to contribute to the call made by Hodges (2012) and Romzek et al. (2012) to investigate the dynamics of accountability involved in a professional network and where formal and informal accountability means operate. The paper, drawing from the accountability literature, presents the result of a field study in a social services network in Italy.

The rest of the paper is structured in the following fashion: the next section introduces the literature analysis and the adopted framework on accountability in inter-organizational settings. The third section describes the background of the research, before the analysis of the methodological choices. The fifth and the final sections present and discuss the preliminary results derived from the case study.

2. Accountability in inter-organizational settings

Traditionally, accountability is defined as the legal and moral obligations to give an account to the legitimated interests of those affected by decisions, programs and interventions (Waldo, 1956). Accountability forms a central part of any public sector, or public agency, in which the government (central, regional or local) can compel compliance, exercise power and communicate its results to the citizens.

Defining accountability means answering the following questions: who is accountable? How are the elements connected? Many parties in an organization may be held accountable, formally, or

feel accountable, informally, for something to another party. These parties may be organizations, groups, division, dyads and individuals.

Accountability is not only a vertical, mechanical and technological system, it could be formal and informal, and involve lateral communication and accountability (Hodges, 2012). Vertical accountability is in line with the legal structures underlying public sector organizations and their relations with external parties. Horizontal accountability works across the internal and external organizational boundaries and does not need formal arrangements. As Munro and Hatherly (1993) put it, devolved organisational settings may foster the constitution of lateral communication and lateral accountability. Hence, understanding accountability only through a hierarchical, rational and mechanical manner is limited, since individuals and organisations also develop systems of lateral accountability. The latter support and regenerate sluggish systems of hierarchical accountability through formalised, or not, systems and relationship like team working or cross level connections among the parties. Agency is a necessary precondition for responsibility and accountability, but also for the constitution of self-regulation and controlling mechanisms in situated autonomy (Bracci, 2009). “(L)ooking across rather up and down” (Hopwood, 1996) is crucial in seeking to understand the role and functioning of technologies of accounting and accountability, especially in complex situations of public service delivery (Hodges, 2012).

As stressed by Considine (2002), the traditional hierarchical structure of accountability is not coherent with the new forms of public service organization and delivery. In the new age of network and/or joined-up government public officials are required to move outside the hierarchical structure of government searching for collaboration, quasi-market relationships with contractors, competitors and co-producers (Considine, 2002, Osborne and Gaebler, 1992; Hodge, 2012)).

Where co-responsibility, collaboration and overall prevail in the delivery of public services, accountability becomes a structural contingency problem. Accountability systems need to adapt constantly to reflect the actual conditions of the network. Inter-dependence in achieving shared outcomes should also involve a shared accountability (Considine, 2002). As the way public services are delivered become more complex, involving several agents and principals, accountability goes through process of change (evolutionary or adaptive) or even crisis (Considine, 2002).

Networks in public services have become a relevant organizational form through which needs and clients' demands are satisfied. A network can be defined as consisting of two or more organizations that deliberately decide to collaborate and coordinate with one other to deliver services or programs, address problems or opportunity and acquire information and resources (Kenis and Provan, 2006: 227).

Besides, the literature suggests network forms are particularly effective in tackling 'wicked problems'. This concept (Rittle and Webber 1973) refers to problematic social situations where: (1) there is no obvious solution; (2) many individuals and organizations are necessarily involved; (3) there is disagreement among stakeholders; and (4) where desired behaviour changes are part of the solution. Ferlie *et al.* (2011) argue about the fact that the forms of collaborations between actors can create also hybrid forms of collaboration, between hierarchy and pure network.

This condition raises the question of control and the difficulty of establishing accountability in public management network. Networks are built around collaboration, and the idea of formal, hierarchical accountability mechanisms is considered as inconsistent with the concept of network. However, the call for accountability of a network cannot be dismissed, since accountability (whether formal or informal, hierarchical or later) is necessary, not only to coordinate the network, but also to exert the public scrutiny over public service and resources. As Kickert *et al.* (1997: p. 3) argued: "one of the major challenges with which public management is confronted is to deal with network-like situations, that is, situations of interdependencies". At the local level, the growth of multi-agency relations is associated both with the changing of accountability pattern across organizational boundaries.

Agranoff and McGuire (2001) argued that it is "difficult to establish accountability in public management networks". Indeed, in the case of networks no single organization is fully responsible and accountable for the network level outcomes. Although accountability in networks is often problematic, it is certainly not an irrelevant issue or absent. Indeed, to make a network accountable it is necessary to measure its outcomes and performance (Agranoff and Macguire, 2001: 311). The two authors also suggested that hierarchical, bureaucratic accountability are simply not applicable in networks (p. 310).

Collaboration and partnerships offer the possibility to increase government capacity to respond more promptly to changing needs and wicked problems, they call for a diverse form of

accountability (Page 2004). Indeed, strong hierarchical or legal controls are considered to hinder the effectiveness of the network actions. Radin and Romzek (1996) argue that accountability relationships relying on professional standards and political responsiveness can to some extent substitute the strong hierarchical accountability. As Scott (2006: 190) argues “conventional accountability narratives, emphasising ex post and hierarchical forms of accountability, with only very limited reach beyond the state actors, are unable to support the burden of providing a narrative of accountability that can legitimate governance structures involving diffuse actors and methods”. It is important to recognize that in complex network structures new accountability models are needed to recognize the inherently inter-sectorial and complex nature.

Governing a network is also a matter of balancing power (O’Toole and Meier, 2004), and also the resulting accountability regime, is affected by the reciprocal role and by the institutional design. As a consequence, it is interesting to understand how the accountability regime changes during a period of institutional change within a network, due to the budget cut-back affecting the overall amount of resources.

2.1. *The framework of analysis*

The nature of social service network suggests to search for some type of accountability, aligned to the institutional environment (Romzek and Johnston, 2005). In particular, we consider three of the four types of accountability (e.g. hierarchical, legal, professional, political) suggested by Romzek and Dubnick (1987): legal, professional and political accountability. The hierarchical accountability is not here considered, not because absent, but it may be affected by the presence of contracts among the actors or lateral forms of accountability (Shillemans, 2008). The traditional hierarchical mode of accountability, while relevant in intra-organizational setting, is considered un-effective in a network (Radin and Romzek, 1996; Mildward and Provan, 2000; Agranoff and Macguire, 2001). Legal, professional and political accountability are critically important in a network.

Legal accountability involves frequent application of external monitoring of performance for compliance with established standards and mandates, typically through formal state oversight and external performance and financial audits (Bardach and Lesser 1996). Legal accountability is based on relationship between a controlling party and a member of the network, often based on a contract (Romzek and Johnston, 2005). The controlling party can impose legal sanctions or assert

formal contractual obligations. Legal accountability is thus ensured through laws and explicit standards set in legal agreements set in binding contractual arrangements.

Professional accountability becomes relevant in case of technically and uncertain problems. In such context, work arrangements grant high degrees of autonomy to individuals or agencies, deference to expertise, on-going consultation, and an emphasis on performance that supports best practices (Romzek and Dubnick, 1987; Romzek and Johnston, 2005). This type of accountability often manifests itself as an acceptance of professional decisions about best strategies for achieving outcomes. Social services are an example of public services where professional accountability is diffuse and meaningful (Bracci and Llewellyn, 2012). Professional accountability structures rely on the skills and expertise of professionals to inform sound judgement and discretion, and according to Romzek and Dubnick (1987: 187) *“professional accountability is characterized by placement of control over organizational activities in the hands of the employee with the expertise or special skills to get the job done”*. Professional accountability can be manifested through a networked relationship between professionals and the means by which they associate with one another (Koliba et al, 2011: 250). Mashaw (2006) argues that professional accountability can be understood in terms of the horizontal ties that exist between social networks of professionals who voluntarily associate with each other, transcending the organizational boundaries.

Political accountability occurs when there is a discretion in the pursuit of responsiveness to key stakeholders (i.e. government purchaser of services, legislators, peer service provider networks, clients). Responsiveness to key stakeholders is a common survival skill for nonprofits; their historical dependence on donors and public grants and contracts for financing has necessitated the development of network management skills (Milward and Provan 2000). As Romzek and Dubnick (1987: 229) argue: *“while political accountability systems might seem to promote favouritism and even corruption in the administration of government programs, they also serve as the basis for a more open and representative government”*.

Under the expectations inherent to political accountability, *“public agencies are expected to be responsive to other actors within the political system, particularly to elected politicians aiming to control their activities”* (Mulgan, 2000: 566). In democratic systems, political accountability is associated as democratic accountability through which citizens and the elected representative serve as actors to whom accountability must be granted (Koliba, et al., 2011: 246).

Table 1 – Accountability types in a network

Type	Key driver	Focus	Source
<i>Legal accountability</i>	Compliance	Standards and norms Input/output	Romzek and Dubnick (1987)
<i>Professional accountability</i>	Deference	Outcome, Output	Romzek and Dubnick (1987)
<i>Political accountability</i>	Responsiveness	Electoral consensus, sustainability	Romzek and Dubnick (1987)
<i>Informal accountability</i>	Shared responsibility	Outcome, output	Romzek et al. (2012)

Informal accountability is related to the expectations and inter-organizational behaviours of actors within the network (Romzek et al., 2012). Informal norms and inter-organizational dynamics can lead to the development of reciprocal relationships and a reciprocal sense of accountability (Bardach and Lesser 1996; Page 2004; Whitaker et al. 2004). Informal accountability emerges from the unofficial expectations and discretionary behaviours that result from repeated interactions among network actors. As argued by Romzek et al. (2012), informal accountability is subject to cross-pressures from contextual variables like competition, staff turnover and fiscal constraints. Informal accountability shares many aspects with the collaborative accountability that can bind actors as peers and partners (Mashaw, 2006), and where collaborative behaviour, norms of trust, reciprocity and reputation become relevant factors for the durability and functioning of a network (Morris et al., 2007; Kreps and Wilson, 1982).

The paper focuses on the changing pattern of accountability in a network during a period of budget cut-back by public spending. Even though the framework adopted is static, in the sense that accountability practices are conceptually freeze-framed in a particular point of time, the relevance of change needs to be recognized. In doing so, we attempt to analyse, in different phases, the way accountability changes due to budget cut-backs.

We adopt a concept of change in terms of sequence of phases, rather than disruptive or radical kind of change (Langley, 1999; Van di Ven and Scott Poole, 2005). The budget cut-backs in public spending in the social care network is used for the identification of phases, accordingly to previous

research on the similar issue (Carlsson-Wall et al, 2011; Ezzamel and Bourn, 1990). In this paper, a budget cut-back is defined in the concurrence of a significant reduction of the overall budget and its recognition by the participant of the network. This involves a financial impact to the actors of the network, with potential threat to the continuity of the programs and/or services (see Ezzamel and Bourn, 1990). The research detected two phases. The first one before the budget cut-back, and the second one after the budget cut-back.

The changing patterns of accountability are considered an outcome of the reduction of public financing and the need to distribute cuts along the network. As argued by Ezzamel and Bourne (1990), financial crisis impact on the wider organizational environment, including suppliers and society at large. The two authors suggest that the focus of control, and thus of accountability, in such situation will be located to the financial and contractual aspects, rather than on other dimension of accountability.

3. The case study: background

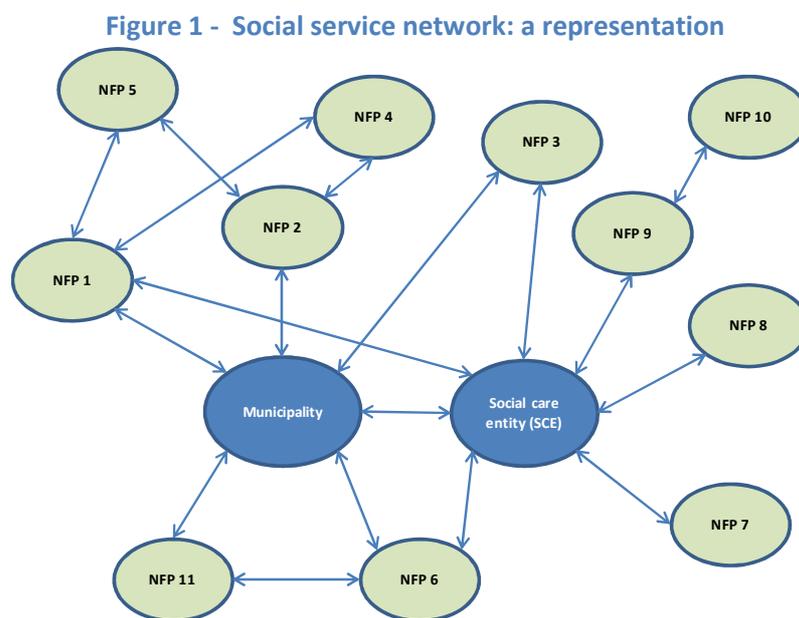
The case-study under analysis in this paper concerns an Italian social services network involving public sector organizations and a number of not-for-profit organizations (NFP thereafter).

In Italy, social services are in charge of the Local authorities that rationalize the demand for that kind of services in a specific territory (e.g., a municipality) and then plan and manage the provision of the services in collaboration with health care authorities and third sector organizations (e.g., social co-operatives, charities, voluntary associations).

Social services encompass a wide range of services including: the care of elderly and disabled people, the care of HIV patients and those terminally ill, treatment of chronic and degenerative illness, the management of child care centres, supporting poor families, immigrants, abused women and children, and the management of centres for those addicted to drugs, tobacco and alcohol. The main reforms in the area of social services have been driven through Law 328/2000 that specified the role of the Local authorities (with respect to other levels of government, such as Central and Regional Government) and the need for a higher integration with social care authorities and NFP organizations. With the introduction of Law 328/2000 many new issues about the competences and accountability of the new social actors – health care authorities and third sector organizations- developed (see, for example, Law 328/2000 on charities and Law 138/2011

on the social professions). This process of law reform enlarged the number of stakeholders be involved in the planning, delivering and monitoring of social services in a specific area, creating de-facto a network of actors. In addition to specifying responsibility for services, the introduction of new laws also defined the minimum standards of services in terms of the quality and quantity that any local authority should provide in order to receive public funding for its activities.

The social service network under analysis is characterised by the presence of two public sector organizations (a Municipality and a Social Care Entity - SCE) and 11 not-for-profit organizations (NFP). Figure 1 presents in graphic form the relationships existing in 2012 among the different actors.



The two public sector organizations play a multi-faceted role, in particular:

- The municipality regulates and defines the strategic and operational objectives of the social service network. It owns and finances the CSE, and deliver specific social service projects toward NFP organizations. It manages a budget of some € 16,8 mln with 20 employees
- The ASP is in charge of the actual deliver of social service both directly or through NFP organizations. It manages a budget of some €17 mln with 157 employees in 2012. It receives most of its revenues through the Municipality (45%) and the rest from contribution of the clients and other public funding (Regional government, Central government).

4. Methodological notes

In methodological terms, this paper can be considered an exploratory case study attempting to understand, rather than predict, emergent phenomenon and issues (Scapens, 1990). The theoretical framework is used as a skeleton to focus on specific issues of interest and be fleshed out by relevant aspects of the case (Laughlin, 1995). The research methodology, given its exploratory nature, is based on a single social care network. The case study methodology was chosen as relevant to reflect the “situational and contingent nature of accountability processes”, and particularly relevant for “intractable and wicked issues” (Hodges, 2012: 44), such as in social care. The research, started in 2012 and it is still on-going, it is qualitative in nature adopting several method including interviews, direct observation and participation, document analysis. In particular, the interviews were conducted during the first stage of the research to managers and professional of the two public sector organizations. Twelve interviews (6 for each organizations) were conducted so far (see table 2). The interviews lasted on average one hour: some of them were recorded, while for other detailed notes were taken. Open ended questions were used in order to ensure that other interesting issues and aspects were not missed and, thus, adapt the interview accordingly, without losing the overall direction (Irvine and Gaffikin, 2006).

Table 2 - Interviews details

Organization	Interviewee	N° interview
Municipality	General manager	1
	Service manager	1
	Administrative function	2
	Social plan coordinator	1
	Social care projects coordinator	1
SCE	General manager	1
	Adult social care manager	1
	Elderly social care manager	1
	Children social care manager	1
	Controller	1
	Care professional	1

The aim of this first round of interview was to understand the perspective of the two organizations governing the network, both in terms of financial resources allocation, control and the system of accountability adopted before and after the budget cut-backs were introduced. In the further development of the research, the interviews will be extended also to the manager and professionals of the NFP organizations in the network.

As mentioned before, two phases have been considered to structure the periods and present the results of the case study (Miles and Huberman, 1994). The first period considers the years before 2010 (included), in which the level of resource was stable or increasing in some years. This period will be labeled “Before cutback”. The second period considers the years from 2011 to now where the cuts were introduced constantly the overall reduction reached some €10million (see table 3 and 4). This period will be labeled “After cutback”.

During the interviews, the author tried to overcome the risk of distorted memories when talking about the past by asking the same questions to different person. In this way, the answers to the same questions were compared and triangulated with other documents whenever possible (Scapens, 1990).

5. The findings

5.1. *Accountability before the budget cut-backs*

The level of resources from 2007 and 2009 (see table) experienced an increasing or stable pattern. This allowed the network to invest in the existing services and new programs. Indeed, social services benefited of a special government initiative towards disables, elderly and people needing to be integrated in the society (i.e. former prisoners, non EU residents, ect.). A social service manager described the period as following:

“It was a stimulating period, having resource to imagine new initiative, programs. We could experiment and involve competencies and resources from the society” (Service Manager-Municipality).

Table 3 – Public spending available in the network and change from previous year

	2007	2008	2009
Total public spending (€mln)	30,4	32,1	32,4
%change previous year		+5,5%	+0,1%

The number of collaborations and of contracting out form increased. The role of the public organizations became that of governing the web of relations that it was growing in the period.

The case reveals that during that period the emphasis on auditing, external monitoring based on formalized standard was present, but not so explicitly:

“Monitoring the way public money was spent by a third party was important. However, we did not rely on strict standards or benchmark. No-one really looked at the way contracts were set and evaluated the NPO against it” (Controller – ASP).

On this sense, legal accountability was present as contractual relationships regulate the presence and role of different actors of the networks. However, most of the contracts did not have strict accountability mechanisms, standards or performance indicators. In this period, no formalized control and reporting mechanisms were in place among the different actors of the network.

On the other hand, professional accountability was an important component of coordinating and controlling mechanism. The different groups of professionals along the networks adopted lateral forms of accountability, peer to peer confrontation, informal meetings and case-report. The aim was to share experience, problem solving of wicked cases or the like. Also in the case of relationship between the Municipality or the SCE and the NFP the service managers of the different organizations could be considered on a lateral relationship, when discussing about services and professional issues. Coherently to this, the emphasis was on “deference” to contractor expertise. Accountability tended to focus on discussions around the outcomes, peer-to-peer evaluation of cases and successful interventions.

However, not explicit standard existed. Professional accountability had inter-sections with forms of informal accountability. Indeed, issues of trust, reciprocity and respect turf (Romzek et al. 2012) emerged during the interviews:

“We had, and still have, trusted partners that we don’t consider just supplier, and this respect of their competence and specialization is recognized by all other organizations” (Children social care manager)

“I can say that we know who to trust or not. And we take this into consideration for future decision to collaborate or involve in new initiatives” (Service manager).

The frequency of communication was considered high, and frequent formal and informal meetings were set in order to sharing information, but also to discuss about problems and how to fix them.

Political accountability, with the emphasis on responsiveness, was an ever present aspect of the relationships in the network. The constituencies were different, in many case the elected officials

(the council member) were the most referred to. The actors of the network appeared to be highly responsive to the policy priorities and programmatic needs of the constituencies.

“Many of the NPOs refer directly to the assessor or the city major, or with the general manager in charge. Sometimes, those relations are not so transparent, but it allows high flexibility or promptness for interventions by those organizations” (Social plan coordinator).

Political accountability appear to go beyond legal accountability in the sense that it is to some extent “superior”, and a priority:

“The need to be responsive was linked to lesser attention on standards and control in the contract. Even for us (ndr. Public organization), the relations with the constituent is strategic and relevant and the assessor has expectation that the service will be responsive to any new priority or program” (General manager).

Political accountability also was relevant for NFP organizations of the networks. Most of them had direct or indirect relationships with local political representative, referring and be referred to in case of need. This was exerted through informal means, although formal policy documents were in place (social care plan, or the like), but formal monitoring and control was not in place.

5.2. Accountability after the budget cut-backs

From 2010 the financial crisis hit heavily the public finance and it resulted in a continuous decrease of public funding in the social sector (see table 4).

From 2010 and 2012 the overall public financing of the network decreased constantly from a total of some 28,47 mln in 2012 to a 25,59 mln in 2010 (-10%). In 2013 the approved budget talks about 22,91 mln available, totaling the reduction from 2019 of some 30%, or 10 mln. This reduction is due to the fiscal stress of the Italian public finance. The budget cuts have hit all area of interventions, and social care was not excluded.

Table 4 – Public spending available in the social care network and change from previous year

	2010	2011	2012	2013 (forecast)
Total public spending (€mln)	28,47	26,12	24,59	22,91

%change previous year	-12%	-8%	-4%	-7%
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As a consequence, the public organizations governing the social care network went through a process of revision of all area of interventions:

“2010 and 2011 have been tremendous year, with heavy decision to be made to break the budget. We had to end some projects, to reduce interventions, we tried to do more with less” (General Manager).

The budget cut-backs had also consequence in the contractual arrangements with the actors of the network. All contracts were revised during the period from 2010 to 2012, and more explicit standards were set, also on the reimbursement system was modified. The system of accountability had inevitable consequence.

First of all, legal accountability appears now to be more compelling, and the emphasis on auditing and external monitoring based on explicit standard diffuse most to all contracts. Both the Municipality and the ASP increased their internal control system and required more report and accounts by the NFPO of the system. As confirmed by the Adult social care manager: *“I personally went through all contracts with the NFPOs, asking for more frequent reports on contractual arrangements and standards. It was not easy at the beginning, but we are getting along now”*.

The diffuse use of standards to program, monitor and evaluate the activity created initially some resistance from the professionals. It was perceived as an intrusion or a lack of trust:

“our organization, but also NFP ones, had difficulties to enter this frame of mind, in the sense of measuring and account for inputs, outputs and the like, but we could not avoid it, but I believe it is now useful in the end” (Elderly social care manager).

However, it became clear the fact that those standards were needed in order to legitimize the overall networks in terms of efficient and effective use of public money:

“The austerity measures put under questions in particular social care services that are not easy to communicate how successful they are. We can survive only if we can demonstrate it and we need to legitimize the need of resources” (General Manager – SCE).

Although legal accountability increased its presence and relevance in the network, professional accountability continued to play an important role. Professional accountability became in this

period more focused on outcomes with some important innovations introduced. Both public organizations are now keener in trying to understand the real impact of social care services and programs. Accountability entails measures such as permanent home placements, successful employment training activities, or client health or living conditions.

“since 2010 we introduced a new method to evaluate the outcomes for every case in terms of living condition, to assess the quality of our interventions. This involves a different way of working, with capacity and knowledge building going on” (Elderly social care manager).

Political accountability has become less relevant in the network, in this second period. Indeed, giving the lower level of resources, the networks seemed to have lost part of its responsiveness and flexibility to respond to new priorities and programs. The number of constituencies involved in the accountability process reduced and the focused become the records of service provision in the contract program areas. Contractor performance moved towards the caseload and the overall cost. According to the general manager of the SCE also the constituencies re-framed their priorities and programs, aligned with the budget constraints:

“Also politicians are now more conscious of the need of formalized process of programming, monitoring and thus of accountability. The resources are scarce and they will worsen in the following years. Of course, they will continue to ask for responsiveness toward their constituencies to the different actors of the network, although in different form and less extent”.

Informal accountability after the cut-backs appear to be downplayed. As the number of standards and formal measures to account for increased, the accountability relationships typical of an informal system decreased in frequency and relevance. Although trust, reciprocity are still at the center of the network, the increased competition and the financial pressures, it becomes hard to guarantee favors, future collaboration and public recognition (Romzek et al., 2012). *“If in the past was possible to guarantee to our more close partners future collaborations and support them with advance notice of available funding, nowadays we are obliged to be more focus on the overall efficiency and effectiveness of the network. It is very difficult to give favors to anyone”* (General manager).

As said, more formalized forms of control and accountability were introduced and de-facto substituting previous informal means. This was also the case among NFP organizations, which had to battle for maintain their level of resources.

5.3. *Accountability dynamics and re-frame*

The budget cutbacks experienced in the last years in many countries, intersected organizational forms for providing public services characterized by inter-organizational relations or even networks.

Table 5 summarizes the preliminary findings from the case study. The system of accountability appears to have been affected by the budget cut-backs imposed since 2010. The financial pressures, the emphasis towards cost and efficiency, the increased competition had several consequences.

First of all, legal accountability has now an higher relevance and it is at the center of the reporting and auditing practices. Standards are set on contracts, as well as reporting obligations. This process was counter-acted through an increased professional accountability. Managers as well as professionals urged to measures the outcomes and real impact of services and programs in order to defend “their turf” from further cuts.

Besides, political accountability was set aside, its relevance in the accountability mechanisms decreased, giving the constraints in being responsive to any constituencies.

Finally, informal accountability moved from an high relevance in the before-cut era, to a moderate relevance. This confirms what proposed by Romzek et al (2012). The authors suggested that the main challenges to informal accountability are financial pressures, competition and turf battles and staff turnover.

Table 5 – Accountability changes in the case study

	Before-cutback	After-cutback
<i>Legal accountability</i>	Moderate	High
<i>Professional accountability</i>	Moderate	High
<i>Political accountability</i>	High	Moderate
<i>Informal accountability</i>	High	Moderate

From the analysis of the evidence raised the four types of accountability appear to be not completely independent one-another. Indeed, legal forms of accountability had a dynamics during the period of austerity in the network similar to that of professional accountability. Both forms called for an increased formalization of standards, inputs and outputs in order to better coordinate and control the services along the network.

On a similar, but opposite, manner Political accountability experienced the same dynamic of Informal accountability. In this case, during period of austerity the use of informal means of accountability tend to decrease, the latter are also used in case of Political accountability.

These relationships are represented in table 6. It is possible to argue that during the dynamics of change brought about by austerity programs, the accountability forms in a network tend to become more formalized and professional based. This process could be justified with the need for the network to legitimized its existence, showing its outputs and the way public money are spent.

Table 6 – Accountability relevance during austerity

	Legal accountability	Professional accountability	Political accountability	Informal accountability
Relevance during austerity	Increase	Increase	Decrease	Decrease
Orientation	Vertical	Horizontal	Vertical	Horizontal
Level of formalization	High	Medium	Low	Low

As stressed by the interviewees, the main strategy of the network during the years of austerity was to guarantee the sustainability of the network, absorbing the reduction of the budget, but at the same time maintaining the level and quality of the services provided to the citizens. On this vein, also the politicians directed the accountability requirements versus the sustainability of the network rather than to its capacity to be flexible enough to fulfill political priorities or needs. Overall, all forms of accountability seemed to align toward the shared objectives of the network of long-term sustainability. Even though Legal and Professional accountability increased their role during the period of analysis, also Political accountability and Informal accountability continued to play a crucial and important role for the functioning of the network.

However, informal accountability was challenged by the financial pressures brought about by austerity, which called for more formalized forms of accountability (Romzek et al., 2012).

Besides, the preliminary evidences suggest that the budget cut-back produced in public service networks changes both in terms of vertical and horizontal accountability modes. The changes promoted both vertical (Legal) and horizontal (Professional) form of accountability, showing that the austerity measures changes accountability not in terms of orientation, but mostly on the level of formalization.

6. Discussion and final reflections

The paper aimed at understanding the impact of budget cut-back on the accountability system of a public service network. In doing so, we adopted as a framework the types of accountability proposed by Romzek and Dubnick (1987) and Romzek et al. (2012).

Accountability in networks is a relevant issue in the delivery of public services (Haque, 2000, Considine, 2002; Ferlie et al, 2011; Hodges, 2012), and the present paper attempts to contribute to the dynamics involved and the impact on a public service network (Hodges, 2012, Considine, 2012).

As service delivery system becomes more complex, giving also the reduced resources, the paper showed that the accountability systems undergo a dynamic process of evolution an adaptation (Considine, 2002). This involves also contrasting and conflicting dynamics. As the case shows, informal accountability risks to be downplayed by legal accountability, and in general by formal accountability process. This can lead to a reduced effectiveness of the network (Romzek et al, 2012), that needs to be assessed. This evidence recalls similar reflections made more than thirty years ago by Stenberg (1981) who argued: *"(...)as governmental growth rates slow or decline and intergovernmental management moves from an expansionist to a cutback orientation, a reformulation of cooperative federalism appears warranted to take in account forces of competition, conflict, and centralization and the stresses that these changes may place on a dynamic, highly intergovernmentalized system and those who function within it"* (p.10).

It is thus important for regulators and policy maker to reckon the existence of multiform accountability systems and the effects of cutback management on it, allowing for more intelligent forms of accountability (Roberts, 2009). Accountability in the case studied confirms to be a social

practice, vital for the recognition of the self and other. It is characterized to be multidimensional, formal and informal, hierarchical and lateral, making it an hybrid system in complex context as a social service network.

However, during period of budget-cut-back the need for more control over a network leads to the increase role of formal means of accountability. Counter-intuitively this is also accepted at the professional level, given the need to legitimize the professional activity and overall that of the network. The latter seems to re-organize in order to cope with the reduction of resources, limiting the negative effect on the level of services delivered, trying to give long term sustainability to the public service network.

Future research may try to extend the width and depth of this analysis, with more cases and in different public services. Besides, the role of accounting technologies is another important issue to be further developed in terms of accountability and control. Finally, as this paper suggests, the performance of the network is crucial, both in terms of outputs and outcomes, but how it is assessed, measured, evaluated, and what's the impact on the budget allocation across the network, calls for further research and attention by scholars.

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